

900 East Main Street Richmond, VA 23219

Air Force Association American Legion **AMVETS** Association of the United States Army Disabled American Veterans Fleet Reserve Association Korean War Veterans Association Legion of Valor of the U.S., Inc. Marine Corps League Military Order of the Purple Heart Military Officers Association of America Military Order of the World Wars National Association for **Uniformed Services** Navy Seabee Veterans of America Non-Commissioned Officers Association Paralyzed Veterans of America Reserve Officers Association Roanoke Valley Veterans Council Veterans of Foreign Wars Vietnam Veterans of America Virginia Army/Air National **Guard Enlisted** Association Virginia National Guard Association Women Marines Association

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COMMONWEALTH OF VIRGINIA JOINT LEADERSHIP COUNCIL OF VETERANS SERVICE ORGANIZATIONS

Position Paper 2015-05 Alternate Revenue Sources for Veterans Programs and Services

1. **OBJECTIVE**: Provide some of the resources required to implement the Compact with Virginia's Veterans by creating alternate revenue sources for veterans programs.

2. BACKGROUND:

- a. The cost of taking care of our veterans has increased significantly in the past decade. In times of austere budgets an alternate source of funding may be needed to ensure that the many important Veterans programs receive adequate funding.
- b. Over the foreseeable future the cost of veterans programs (e.g. Virginia Wounded Warrior Program needs, cemetery maintenance, care center operations, Virginia War Memorial operations, and benefits services) will continue to increase.
- c. The Governor and the General Assembly have and continue to identify important veterans' programs that are supported by the General Fund. However, during the austere budget challenges currently faced by the Commonwealth, additional actions may be needed to ensure adequate funding for programs and services.
- d. These include funding for: hiring and retention of DVS claims agents, the Virginia Wounded Warrior Program, Virginia War Memorial operations and programs, and reducing homelessness among Virginia veterans.
- e. Legislation enacted in 2010 established a Compact with Virginia's Veterans, with a goal of making Virginia the most veteran-friendly state in the nation. New or expanded programs and services implemented under the Compact (e.g. homeless assistance, employment, education, etc.) require additional resources. While much progress has been made, more remains to be done.
- 3. **<u>DISCUSSION</u>**: Veterans' programs and services need a major, non-general fund "funding stream." It must be large enough to have a significant impact on needed veterans' programs that would otherwise require general fund monies or go unfunded.
 - a. Lotteries have been proven to provide a suitable and sustainable source of revenue.
 - b. Seven states have a dedicated revenue stream for veterans programs through the state lottery, while two additional states are working to create a veteran's lottery:
 - Four states have each raised between \$10 million and \$33 million for veterans and programs. These states have been successful in designing a lottery that does not detract from funds dedicated to education or other purposes.
 - Rather than cut into a share of the "pie", they have been able to "grow the pie."
 - c. The proceeds from the Virginia lottery are dedicated to education and so protected by the state constitution. However, some proceeds can go to other uses if approved by 4/5 of the members of the General Assembly.
 - d. No other group in America has been called on to bear the burdens and to make the sacrifices that our veterans have. Therefore, the benefits that Veterans have earned through sacrifice and service deserve to be adequately funded.
- 4. **RECOMMENDATION**: That the General Assembly and the Governor approve the establishment of a veterans' lottery as part of the Compact with Virginia's Veterans to supplement the General Fund's support of approved veteran's requirements, with any residual lottery funding reverting back to Education.